



CYNTHIA D. BANKS
Director

COMMUNITY AND SENIOR SERVICES OF LOS ANGELES COUNTY

3175 WEST SIXTH STREET • LOS ANGELES, CA 90020-1708 • (213) 738-2600 • (213) 487-0379 FAX

"To Enrich Lives Through Effective And Caring Service"

BOARD OF SUPERVISORS

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June 30, 2009

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

**RECOMMENDATION TO EXECUTE CONTRACTS WITH 12 WORK SOURCE CENTERS
FOR FISCAL YEARS (FY) 2009-12 TO PROVIDE WORKFORCE INVESTMENT ACT (WIA)
ADULT AND DISLOCATED WORKER (ADW) SERVICES
(ALL SUPERVISORIAL DISTRICTS) (3-VOTES)**

SUBJECT

This Board Letter requests approval for Community and Senior Services (CSS) to take the following actions: 1) execute contracts for an estimated \$28 million with 12 Work Source Centers as a result of a competitive solicitation, Request for Proposal (RFP), and four Work Source Centers previously procured through an RFP; 2) issue cash advances for WIA ADW American Recovery and Reinvestment Act (ARRA) of 2009 contractors; and 3) delegate authority to the CSS Director or designee to execute contract amendments and to increase or decrease contract amounts based on contractor performance and availability of funding. The ADW program is operated through the Work Source Centers that function as a one-stop point of entry for eligible job seeking participants and provide workforce development system services to increase participant employment, employment retention, wage earnings, and occupational skill attainment.

IT IS RECOMMENDED THAT YOUR BOARD:

1. Delegate authority to the Director of CSS, or designee, to negotiate and execute contracts with 12 Work Source Centers on the Attachment and amend four previously procured Work Source Centers listed on the Attachment, for an estimated \$28 million, for the provision of WIA employment and training program services, after County Counsel approval as to form, effective July 1, 2009 through June 30, 2012, with the option to extend the term for one additional year through June 30, 2013.
2. Authorize the issuance of a one-time only cash advance for WIA ADW ARRA contractors.

3. Delegate authority to the Director of CSS, or designee, to negotiate and execute contract amendments to extend the term of the contract for one year and increase or decrease contract amounts based on contractor performance and availability of funding, after County Counsel approval, as to form, provided that: approvals of County Counsel and the Chief Executive Officer (CEO) are obtained prior to any such amendment; and the Director of CSS confirms in writing to the Board of Supervisors and the CEO within 30 days after execution that such amendments have been executed.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTIONS

The County of Los Angeles has been designated by the State as a Local Workforce Investment Area (LWIA) for the purpose of administering WIA programs. In addition to the WIA ADW funding, the ARRA of 2009 provides significant funding for WIA to supplement employment and training services as part of a comprehensive program to stimulate the U.S. economy.

Based on the Board's June 24, 2008 delegated authority to accept funding augmentations, the Department has accepted the July 1, 2009 through June 30, 2011 two-year WIA ADW grant funds, as well as the WIA ADW ARRA funding. The recommended actions will provide CSS with authority to execute contracts with the 12 newly competitively procured providers, amend contracts for four Work Source Centers previously procured in February 2008, and issue cash advances on the ARRA portion of the funding which will enable WIA ADW contractors to meet State and national expectations that the envisioned training, service and employment objectives be rapidly achieved.

Implementation of Strategic Plan Goals

The recommended actions are consistent with principles of the Countywide Strategic Plan goals of *Children, Family and Adult Well-Being*.

Performance Measures

The program's success will be measured based on the indicators established by WIA and are aligned with the County's *Performance Counts!* Initiative. The two performance outcomes to be tracked are: 1) unsubsidized placement into employment and 2) job retention.

FISCAL IMPACT/FINANCING

For FY 2009-10, the cost of the WIA ADW Program is projected at \$19,637,000 in baseline funding and \$17,565,000 in WIA ADW ARRA funding, for a total of \$37,202,000. Of this amount, about \$28,000,000 is being distributed to 12 newly procured Work Source Centers and four Work Source Centers previously procured in 2008, with the remainder being used for program coordination and administrative costs. There is no impact on the County general fund, as the WIA ADW Program is fully financed by WIA ADW funding. Funding for this program has been included in the Department's FY 2009-10 Proposed Budget.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The Work Source Centers provide mandated ADW Program services including Core, Intensive and Training services. Core services are available to a universal population and include, but

are not limited to: comprehensive counseling, assisted job search, program eligibility determination, and referral information. Intensive services include comprehensive and specialized assessment of skill levels and service needs, diagnostic testing, in-depth interviewing and evaluation to identify employment barriers, development of an individual employment plan, group counseling, individual counseling and career planning, case management and short-term pre-vocational services.

Training services are available for low-income or dislocated workers that qualify under WIA for training and have not attained employment through Core or Intensive services. Work Source Center funding is based on availability of funding and a formula of need in the service communities. The continuation of the Work Source Centers' delivery concept ensures that the County WIA meets the requirements of WIA.

ARRA will provide significant funding for WIA to support employment and training services as a part of a comprehensive program to stimulate the U.S. economy. In Los Angeles County, \$17,565,000 will be available in ARRA funds to provide services to an expanded population. Emphasis for this funding will be on occupational training with institutional/classroom programs delivered by public and private schools and work-based programs, including customized training and on-the-job programs.

With ARRA funds, it is expected that providers will fund rapidly increasing service levels, requiring them to hire additional staff and otherwise incur start-up costs beyond their normal operating budget. With the nation's current credit market, service providers cannot access additional credit lines as easily as in the past. Therefore, ADW providers need cash advances on the ARRA portion of their funding. To address this extraordinary circumstance, a one-time cash advance payment will be issued to cover one month's ARRA costs.

Overall, about \$1.1 million in ARRA cash advances is planned for all WIA ADW contractors, given that they are all in good standing. The Attachment reflects the maximum amount that would be issued to each contractor. For each of the first six months, providers would be reimbursed for each month's costs. In the seventh and eighth months, CSS would apply the cash advance balance to the amounts invoiced. In the ninth month, the agency would be informed of any remaining cash advance balance and that it must repay the Department within 30 days. Failure to remit any cash advance balance will result in the suspension of payments (for all contracts) until the cash advance balance is fully recouped.

CONTRACTING PROCESS

On October 17, 2008, CSS released a WIA Title I ADW RFP for the areas not included in the February 2008 RFP: (Compton, Central Los Angeles County, East San Gabriel Valley, Southeast Los Angeles County, West San Gabriel Valley, Antelope Valley, Palmdale, West Los Angeles, West Hollywood, Pomona, Northeast San Fernando Valley, and Northeast San Gabriel Valley). The solicitation was consistent with federal competitive procurement regulations for WIA and County contracting policies.

The solicitation was open to private, non-profit, and public and private for-profit organizations. Individuals and other Workforce Investment Boards (WIBs) were not eligible. The RFP was advertised in the Los Angeles Times, HOY and the Los Angeles Watts Times. Fourteen proposals were received in response to the RFP. Following the evaluation/initial recommendations, there was a debriefing process, a contractor selection review, and a WIB panel review process. The WIB panel heard two appeals. The final 12 recommended

providers, one for each Work Source area, reflect the WIB panel's recommendations. No proposer qualified as a small business and/or minority and women-owned business enterprise. Both WIA ADW and ARRA funding will be distributed to these 12 providers based on this RFP.

For the other four existing providers (Arbor Education and Training and Chicana/East Los Angeles, Los Angeles Urban League-South Central, and Goodwill Industries of Southern California/Central San Gabriel Valley), given that the ARRA funding is available only through June 2011, it is in the County's best interest to distribute the ARRA funding to these existing four agencies that were competitively procured and awarded contracts by your Board on June 24, 2008. At that time, your Board delegated authority to the Director of CSS to negotiate and execute contract amendments to increase contract amounts based on contractor performance and availability of funding.

Monitoring Requirement

Beginning with FY 2003-04, CSS contracted with the Auditor-Controller's office to conduct fiscal and contract compliance monitoring of all of its WIA contractors. CSS is responsible for ensuring, through its resolution process that the reported monitoring findings are resolved and training is provided to contractors, if necessary, and/or program policies are developed.

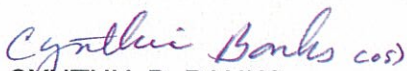
IMPACT ON CURRENT SERVICES (OR PROJECTS)

The recommended actions will allow for the continued provision of workforce investment services to job seekers and employers within Los Angeles County.

CONCLUSION

Upon Board approval, please mail one copy of the adopted Board Letter and its attachments to Ms. Carol Domingo, CSS, 3175 West Sixth Street, Room 307, Los Angeles, CA 90020. Ms. Domingo may be reached at (213) 351-5090.

Respectfully submitted,


CYNTHIA D. BANKS
Director

Attachment

c: Chief Executive Officer
Acting County Counsel
Auditor-Controller
Executive Officer, Board of Supervisors

**WIA DISLOCATED WORKER PROGRAM FY 09-10
AMERICAN RECOVERY AND REINVESTMENT ACT (ARRA) and FORMULA FUNDING
CONTRACTOR ALLOCATIONS**

Area	Supervisory District(s)	Agency	ARRA a	Formula FY 09-10 b	Total Allocation a+b	Maximum Cash Advance # c=a*(1/12)
New Contractors						
Antelope Valley Area	5th	Antelope Valley Consortium	\$ 728,359	\$ 544,640	\$ 1,272,999	\$ 60,697
Central L.A. County Area	1st and 2nd	Hub Cities	712,049	532,445	1,244,494	59,337
Compton Area	2nd	Community Career Development (CCD)	332,728	248,802	581,530	27,727
East San Gabriel Valley	1st, 4th and 5th	LA WORKS	1,622,096	1,212,948	2,835,044	135,175
Northeast San Fernando Valley Area	3rd	Los Angeles Mission College	188,608	141,035	329,643	15,717
Northeast San Gabriel Valley Area	5th	Managed Care Solutions, Inc API Mini Center	227,245	169,927	397,172	18,937
Palmdale Area	5th	City of Palmdale	217,284	162,478	379,762	18,107
Pomona Area	1st	Los Angeles Urban League	537,379	401,831	939,210	44,782
Southeast L.A. County Area	1st and 4th	Southeast Area Social Service Authority (SASSFA)	771,208	576,682	1,347,890	64,267
West Hollywood Area	3rd	Jewish Vocation Services	136,901	102,370	239,271	11,408
West L.A. Area	2nd, 3rd and 4th	Jewish Vocation Services	358,966	268,423	627,389	29,914
West San Gabriel Valley Area	1st and 5th	Career Partners	737,784	551,689	1,289,473	61,482
New Contractors Total			6,570,607	4,913,270	11,483,877	547,550
Existing Contractors						
South Los Angeles Area	2nd and 4th	LA Urban League-South Central	583,837	436,573	1,020,410	48,653
Central San Gabriel Valley Area	1st and 5th	Goodwill Industries of Southern California	538,114	402,381	940,495	44,843
East Los Angeles Area	1st, 2nd and 5th	Arbor E&T	595,550	445,330	1,040,880	49,629
	1st, 2nd and 5th	Chicana Service Action Center	198,517	148,446	346,963	16,543
Existing Contractors Total			1,916,018	1,432,730	3,348,748	159,668
Grand Total			\$ 8,486,625	\$ 6,346,000	\$ 14,832,625	\$ 707,218

Contractors may receive a cash advance payment equal to one month of estimated ARRA costs.

**WIA ADULT PROGRAM FY 09-10
AMERICAN RECOVERY AND REINVESTMENT ACT (ARRA) and FORMULA FUNDING
CONTRACTOR ALLOCATIONS**

Area	Supervisory District(s)	Agency	ARRA a	FY 09-10 Formula Allocation b	Total ARRA and Formula Allocation a+b	Maximum Cash Advance # $c=a^2/(1/12)$
New Contractors						
Antelope Valley Area	5th	Antelope Valley Consortium	\$ 349,465	\$ 591,111	\$ 940,576	\$ 29,122
Central L.A. County Area	1st and 2nd	Hub Cities	762,323	1,289,451	2,051,774	63,527
Compton Area	2nd	Community Career Development (CCD)	307,191	519,607	826,798	25,599
East San Gabriel Valley	1st, 4th and 5th	LA WORKS	443,269	749,779	1,193,048	36,939
Northeast San Fernando Valley Area	3rd	Los Angeles Mission College	26,499	44,822	71,321	2,208
Northeast San Gabriel Valley Area	5th	Managed Care Solutions, Inc API Mini Center	53,963	91,277	145,240	4,497
Palmdale Area	5th	City of Palmdale	272,713	461,288	734,001	22,726
Pomona Area	1st	Los Angeles Urban League	314,373	531,754	846,127	26,198
Southeast L.A. County Area	1st and 4th	Southeast Area Social Service Authority (SASSFA)	326,159	551,690	877,849	27,180
West Hollywood Area	3rd	Jewish Vocation Services	29,449	49,812	79,261	2,454
West L.A. Area	2nd, 3rd and 4th	Jewish Vocation Services	57,927	97,982	155,909	4,827
West San Gabriel Valley Area	1st and 5th	Career Partners	386,678	654,056	1,040,734	32,223
New Contractors Total			3,330,009	5,632,629	8,962,638	277,500
Existing Contractors						
South Los Angeles Area	2nd and 4th	LA Urban League-South Central	343,736	581,422	925,158	28,645
Central San Gabriel Valley Area	1st and 5th	Goodwill Industries of Southern California	495,491	838,111	1,333,602	41,291
East Los Angeles Area	1st, 2nd and 5th	Arbor E&T	535,082	905,079	1,440,161	44,590
	1st, 2nd and 5th	Chicana Service Action Center	178,361	301,693	480,054	14,863
Existing Contractors Total			1,552,669	2,626,305	4,178,974	129,389
Grand Total			\$ 4,882,678	\$ 8,258,934	\$ 13,141,612	\$ 406,889

Contractors may receive a cash advance payment equal to one month of estimated ARRA costs.